

**SPECIAL MEETING OF  
BELMONT REDEVELOPMENT AGENCY  
Tuesday, January 25, 2005 7:30 PM**

**CALL TO ORDER 7:30 P.M.**

**ROLL CALL**

Directors Present: Mathewson, Feierbach, Bauer, Metropulos, Warden

Directors Absent: None

Staff Present: Interim Executive Director Rich, Deputy City Attorney Zafferano, Community Development Director Ewing, Public Works Director Davis, Agency Secretary Cook.

**PLEDGE OF ALLEGIANCE**

Recited by Agency Secretary Cook.

**ADDITIONAL BUSINESS**

**Presentation on Development Proposal for Old City Hall Site - The Olson Company**

Community Development Director Ewing stated that this was the second of two presentations on potential residential development of the old city hall site at 1365 Fifth Avenue. He noted that no decision would be made this evening, and the Agency would discuss this further at its regular meeting on February 8.

**Seth Israel**, The Olson Company, stated that this privately owned company, founded in 1989, partners with cities to address housing needs. He clarified that the company specializes in revitalizing urban core, and focuses on in-fill projects, not on housing sprawl, using existing infrastructure. He gave a brief background of some of the projects in which the Olson Company has been involved. He noted that they produce deed-restricted, work-force housing, and 11 redevelopment projects are currently in process, mostly in the East Bay. He noted that the company understands the requirements of redevelopment agencies.

Mr. Israel reviewed the current proposal for the old city hall site, which includes nine homes, each between 1800 and 2000 square feet and each containing a private backyard, with detached two-car garages accessible from the alley on the east site of the property. He clarified that there would be no difference between the market-rate homes and the affordable units. He added that community outreach is important.

In response to Director Feierbach, Mr. Israel stated that the Olson Company has performed marketing plans for its other projects, and could do so for this one. He also stated that they would work with the neighbors at the outset, and that property tax is paid on the affordable units. He commented that ownership housing increases property values. This development would be subject to CC&R's (Creeds, Covenants and Restrictions).

In response to other Director questions, Mr. Israel stated that the unit proposed for above the garage on one of the units is part of the house, but could be made available for lease. He noted there might be a desire to keep as many of the trees as possible, which could affect the siting and number of units. He also stated that they work with lenders to qualify families, but typically those families contain three to five members.

Community Development Director Ewing clarified that the floor area ratio for the Olson proposal had not yet been analyzed. He also stated that the 1999 zoning amendment called for a maximum of 5,000 square foot lots, but included multi-family on the commercial/residential portion of the property.

Director Mathewson stated that Belmont has Tree City USA designation, and the mature trees should be maintained.

Chair Warden expressed concerns regarding the floor area ratio of the proposal, and that four-bedroom, three-bath homes may be too big. Mr. Israel responded that the goal is to maximize the land value for the Redevelopment Agency.

**Patti Smith**, 1400 Fifth Avenue, stated she would like more information about low to moderate income housing, such as income levels, how many units Belmont already has, where they are located, and the impact on property values. She recommended matching the density and value of the proposed homes to that of the existing neighborhood. She has traffic and parking concerns, and wondered if existing homes needed to include the adjacent LMI housing in disclosures. She would like to know the next steps, and appreciated the inclusion of the neighbors in this process.

**Laure Meyer**, Sixth Avenue, stated that she was told this property was designated as a park.

**Yancy Mendoza**, Fifth Avenue, stated he is new to the neighborhood, and suggested the Agency solicit more developers for more choices.

**Alisa Ferree**, Fifth Avenue, stated she is also new to the neighborhood, expressed concerns regarding the number of people being impacted by this proposal, and noted that all the homes on the west site of Fifth Avenue are one story. She would like additional information such as what percentage of the homes would be deed restricted, the construction timeline, and the selection criteria of the developer.

**William Sangervasi**, Broadway Avenue, expressed concerns regarding the impact of low-to-moderate income housing on property values. He noted that Belmont has done a good job in providing LMI housing in the past, and that this type of development is not being proposed in other communities. He commented regarding the proximity of this development to the mental health housing currently under construction on F Street, which is also an LMI project. He noted that people work two jobs to maintain their homes, and also commented that parking is an issue, especially during special events at Twin Pines Park.

**Chris Shroeder**, Fifth Avenue, expressed concerns regarding property values. He supports marketing these homes to specific work force, and noted that setbacks and floor area should be the same as the existing homes.

Discussion ensued. Community Development Director Ewing clarified that moderate income was considered 80-120 percent of the area median, or \$90,000 to \$100,000 for a family of four. He clarified that the Low-to-Moderate Income Fund of the Redevelopment Agency owns this

parcel. He explained redevelopment as a tool to eliminate blight. The City solicited bids from 30 companies, and received two responses, and both proposals were the ideas of the developers. He noted that significant design and planning work would need to be done for either proposal. He clarified that if the RDA sold the property, the proceeds would go back into the LMI fund, and there was a risk in having excess monies in this account. The original purchase price is \$1.4 million, and with inflation, this amount could approximate \$2 million.

Director Feierbach stated that she supported low density for this property, and she wants to maximize property values. She noted she does not support the Habitat for Humanity proposal, and will visit other Olson properties. She clarified that there was never a formal dedication of any of the property for a park. She would support extending the RFP to seek other responses.

Director Metropulos stated that the speakers made some valuable points. He supports increasing property values and maintaining the neighborhood.

Director Bauer stated that he values neighbor input, and the City has an obligation to the neighborhood.

Director Mathewson also values neighbor input, and would like more outreach. He requested more information on LMI income levels.

Chair Warden stated he was disappointed with the proposal since it violated the zoning, the floor area ratio was too high, the detached garages will require a variance, and there is not enough parking. He has no intention of destroying the neighborhood. The selection is of developers subjective, and he would not be able to make a determination on either of these proposals within the next two weeks.

**Mitch Solomon**, The Olson Company, stated that their proposal assumes no cost for the land, and that the proposal is feasible under this assumption. He noted that additional subsidy would be necessary if density or home size is reduced, which is common. He clarified that the detached garages reduces the need for additional grading. He also clarified that the amount charged for the homes is based on the number of bedrooms.

Community Development Director Ewing clarified that any additional subsidy would be a policy decision of the Agency. He noted that there is a memo in the file regarding Rebec Park, which he would make available. He also clarified that the property needs to be used for its intended purpose of LMI housing within 10 years of purchase, a development contract needs to be in place, or the property sold.

**ADJOURNMENT** at this time, being 8:40 P.M.

Meeting tape-recorded and videotaped  
Tape No. 600

Terri Cook  
Agency Secretary

Minutes approved 3/8/2005